

Department of Finance <p style="text-align: center;">STATE OF CALIFORNIA MANUAL OF STATE FUNDS</p>		Fund: 0835 PAGE 1 Renumbered From:
<u>Legal Title</u> Teachers' Retirement Fund		
<u>Legal Citation/Authority</u> Chapter 939, Statutes of 1999 (SB 1074) Education Code section 22400		
<u>Fund Classification</u> <u>GAAP Basis</u> Fiduciary/Pension Trust Funds	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Retirement Funds	
<u>Purpose</u> <p>Per Education Code section 22001, the State Teachers' Retirement System was established to provide a financially sound plan for the retirement, with adequate retirement allowances, of teachers in the public schools of this state, teachers in schools supported by this state, and other credentialed persons employed in connection with the schools.</p> <p>The State Teachers' Retirement System is primarily financed by the Teachers' Retirement Fund. The Teachers' Retirement Fund in the State Treasury is the principal depository of all moneys received by the system, except for those funds deposited pursuant to Education Code sections 22307.5 (a), 24255, 24976 (a)(1) and 25930. The majority of benefits paid to members and their beneficiaries and costs associated with administering the benefits program are paid from the Teachers' Retirement Fund.</p> <p>Chapter 1305, Statutes of 1971 placed the system on a reserve funding program, with the objective of eventually making the fund actuarially sound.</p>		
<u>Administering Agency/Organization Code</u> State Teachers' Retirement System/Org 7920. The system is managed by the Teachers' Retirement Board (Education Code section 22200). The Chief Executive Officer, appointed by the Teachers' Retirement Board, is the Chief Administrative Officer of the System (Education Code sections 22209 and 22300).		
<u>Major Revenue Source</u> Contributions from members, school districts, other employing agencies, and the state. Income from investments. General Fund appropriations. Donations, legacies, and bequests accepted by the Retirement Board and all appropriations made to the System by the Legislature.		
<u>Disposition of Fund (upon abolishment)</u> Legislation designates the state as custodian of these funds only. Upon abolishment, any balance remaining in this fund would be returned to the contributors.		

Appropriation Authority

Notwithstanding Government Code section 13340, Education Code section 22307(b) provides a continuous appropriation for the disbursement of benefits, payment of refunds, and investments transactions. Education Code section 22307(c) requires an annual Budget Act appropriation for the payment of administrative expenses.

State Appropriations Limit

Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from a Retirement Fund.

Comments/Historical Information

This fund was established in the State Treasury on July 1, 1957, by transferring all assets being held in the four funds previously employed in connection with the funding of retirement transactions, namely: The Teachers' Permanent Fund, the Retirement Annuity Fund, the Teachers' Retirement Disbursement Fund, and the Teachers' Annuity Deposit Fund (Chapter 13, Statutes of 1944, 4th Extraordinary Session and Chapter 1583, Statutes of 1957).

Chapter 893, Statutes of 1993 added the current Education Code section 22400.

Pursuant to the Governor's Reorganization Plan 2, the Administering Agency's Organization Code changed from Org 1920 to Org 7920, effective July 1, 2013.